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**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF NEVADA**

IN RE:  
  
SPOT HOLDINGS, INC., fdba SPOT  
DEVICES, INC.,  
  
Debtor.

BK-N-13-51731-btb  
Chapter 7

**OPPOSITION TO MOTION TO APPROVE  
SALE OF PERSONAL PROPERTY FREE  
AND CLEAR OF LIENS AND  
ENCUMBRANCES 11 U.S.C. §363(b) AND (f)**

Hrg. Date: 10/3/17  
Hrg. Time: 2:00 p.m.  
Est. Time: 5 minutes  
Set by : Judge Beesley per OST

The Trustee acknowledges “Haws’ purported security interest in the Carmanah shares is in bona fide dispute...” *See* ECF No. 193 at 5:17-18. This is manifested by the fact that the Trustee filed an adversary action “to set aside [Haws’] security interest in the Carmanah shares as a preferential transfer...” *Id.* at 4:11-13. In short, “[t]here is an objective bona fide dispute between the Trustee and Haws with respect to ownership of the Carmanah stock.” *Id.* at 6:12-13. As a result, the Trustee’s proposal to sell the Carmanah stock and “sequester the proceeds until the dispute with Haws is resolved” should be the proper course of action. *Id.* at 6:15-17; *see also In re Clark*, 266 B.R. 163, 171-172 (9<sup>th</sup> Cir. BAP 2001), citing 3 Lawrence P. King, Collier on Bankruptcy ¶ 363.06 (15<sup>th</sup> ed. rev. 1998) (purpose of §363(f)(4) is to permit recovery of the estate

1 to be sold free and clear of interests that are disputed by the representative of the estate so that  
2 liquidation of the estate's assets need not be delayed while such disputes are being litigated).

3 Peddie respectfully requests that the Court enter an Order allowing the Trustee to sell the  
4 Carmanah stock and sequester the proceeds until the dispute with Haws is resolved.

5 DATED: September 29, 2017. BROWNSTEIN HYATT FARBER SCHRECK, LLP  
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7  
8 /s/ Adam P. McMillen  
9 Adam P. McMillen, Esq.  
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**CERTIFICATE OF SERVICE**

Pursuant to Fed. R. Civ. P. 5(b), I certify that I am an employee of BROWNSTEIN HYATT FARBER SCHRECK, LLP, and on this 29<sup>th</sup> day of September, 2017, I served the document entitled **OPPOSITION TO MOTION TO APPROVE SALE OF PERSONAL PROPERTY FREE AND CLEAR OF LIENS AND ENCUMBRANCES 11 U.S.C. §363(b)** **AND (f)** on the parties listed below via the following:

☒ **VIA FIRST CLASS U.S. MAIL:** by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, in the United States mail at Reno, Nevada, addressed as follows:

Rob Dotson, Esq.  
Dotson Law  
One East First Street, Ste 1600  
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Attorney for SPOT HOLDINGS, INC.  
fka SPOT DEVICES, INC.

☐ **VIA FACSIMILE:** by transmitting to a facsimile machine maintained by the person on whom it is served at the facsimile machine telephone number as last given by that person on any document which he/she has filed in the cause and served on the party making the service. The copy of the document served by the facsimile transmission bears a notation of the date and place of transmission and the facsimile telephone number to which it was transmitted.

☐ **BY PERSONAL SERVICE:** by personally hand-delivering or causing to be hand delivered by such designated individual whose particular duties include delivery of such on behalf of the firm, addressed to the individual(s) listed, signed by such individual or his/her representative accepting on his/her behalf. A receipt of copy signed and dated by such an individual confirming delivery of the document will be maintained with the document and is attached.

☐ **VIA COURIER:** by delivering a copy of the document to a courier service for over-night delivery to the foregoing parties.

☒ **VIA ELECTRONIC SERVICE:** by electronically filing the document with the Clerk of the Court using the ECF system which served the following parties electronically:

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17 /s/ Nancy R. Lindsley  
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